



BOTSWANA'S NATIONAL ACCOUNTS REVISIONS GUIDELINES

APRIL 2018



STATISTICS BOTSWANA

1. INTRODUCTION

The National Accounts Revisions policy will guide all revisions to published national accounts statistics. Revisions will be done in line with international best practice and will be disseminated to all users.

1.1 Objectives of the Revisions Guidelines

The objectives of this policy are;

- a) To ensure transparency in the revision of data
- b) To maintain the quality and integrity of the data.
- c) To ensure the credibility of the data
- d) To inform data users and producers about the process followed for revising data.
- e) To adhere to the international standards for data revisions.

1.2 Context

Botswana's national accounts statistics are compiled by Statistics Botswana in accordance with international standards contained in the System of National Accounts (SNA). The System of National Accounts is the internationally agreed standard set of recommendations on how to compile measures of economic activity. Botswana is currently using the 1993 SNA and plans are underway to move to the latest SNA which is the 2008 SNA.

Data used to compile national accounts statistics is drawn from different sources such as censuses, annual surveys, administrative statistics, public accounts, etc. Botswana compiles both quarterly and annual national accounts using the production and expenditure approach for the estimates of the Gross Domestic Product (GDP). The production approach is the most reliable one. Quarterly GDP is published with a lag of ninety (90) days while annual GDP is published with a lag of six to nine months. This is in line with international standards for timeliness.

1.3 Rationale for revisions

Timely, accurate and consistent data is needed for policy formulation and decision making. Due to these inherent data needs, provisional data may be used pending availability of firm data. In this regard, revision of data becomes inevitable. However, the revision should be done systematically and in a transparent manner, hence the need for documented revisions guidelines.

In the compilation of national accounts revisions are inevitable, therefore Botswana's national accounts are subject to revisions as it is a universal practice. Revisions are made to all published quarterly and annual national accounts series. They are made for the benefit of users, to provide them with data that are as timely and accurate as possible. Revisions provide the possibility to incorporate new and more accurate information, and thus improve the accuracy of the estimates, without introducing breaks in the time series.

Repeated revisions may be perceived as reflecting negatively on the credibility of official statistics, but delaying may increase the magnitude of later revisions. Furthermore, not passing on known revisions reduces the actual reliability of data even more because the data would not reflect the best available information, and the public may become aware of this.

National accounts are normally revised for several reasons which include but not limited to the following:

- Revisions to source data
- Availability of new source data
- Introduction of new methodologies, techniques or systems: The methods used to compile GDP have historically been the subject of continuous improvements as new sources become available or international best practice is developed.
- Other changes due to methodology, concepts and classification can also lead to revision of national accounts estimates.
- Rebasing
- Benchmarking

2. Revision Cycle

Botswana's national accounts are compiled using data from censuses, surveys and administrative records. For annual accounts the most significant data sources are Annual Economic Survey, Multi-Topic Household Survey, Employment and Employees survey, Agricultural Survey, Government accounts, etc.

The first estimates of year T become available three months after the reference year. These are figures obtained by summing four quarters of year T. The first preliminary annual estimates become available 12 months after year T and the final annual estimates become available 24 months after year T.

With regard to quarterly accounts, the main data sources are the Survey of Recent Trends (SRT) and administrative records such as Government accounts from the Ministry of Finance and Economic Development and Financial statistics from the Central bank. Quarterly estimates are revised when new data become available or source data is revised. Quarterly estimates are released with a lag of 90 days and are revised in subsequent quarters when necessary. All quarters of the two preceding years can be revised in December because of benchmarking to the annual estimates.

The table below shows the sequence of revisions for year T

Table 1: Sequence of estimates for year T

Published in	Qrt 1	Qrt 2	Qrt 3	Qrt 4	Year
June year T	First Est				
September year T	Revised	First Est			
December year T	Revised	Revised	First Est		
March year T+1	Revised	Revised	Revised	First Est	First sum of 4 quarters
June year T+1					sum of 4 quarters
September year T+1					sum of 4 quarters
December year T+1	Revised	Revised	Revised	Revised	Preliminary annual estimates
December year T+2	Revised	Revised	Revised	Revised	Final annual estimates

Table 2: Revisions in real percentage change for the same quarter previous year

	Publication December 2016			Publication March 2017		
	Qrt 1 2016	Qrt 1 2016	Qrt 1 2016	Qrt 1 2016	Qrt 1 2016	Qrt 1 2016
Mining	-5.6	-13.6	13.3	-5.6	-13.6	18.3
Trade, Hotels & Restaurants	1.2	6	6.8	5.5	20.1	16.2
Transport & Communication	6.3	4.6	5.1	6.3	4.6	5.2
Personal Services	3.3	3.2	3.8	3.5	3.5	4.1
Value Added	1.5	1.5	5.2	2.5	4.4	7.9
Total GDP	1.5	1.3	4.5	2.3	3.9	6.9

3. Communication of Revisions

The write-up of the reports with newly revised data will outline the changes made to previously released data, for the benefit of all users. A table showing revisions will be compiled each time there are revisions in both nominal and real values as well as real percentage change.

